

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT                    )  
FOR WEST SHELBY WATER DISTRICT                ) CASE NO. 2007-00336

O R D E R

On July 30, 2007, West Shelby Water District (“West Shelby”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. West Shelby purchases water from Shelbyville Municipal Water and Sewer Commission (“Shelbyville”) and Louisville Water Company (“Louisville”).
2. Shelbyville notified West Shelby that, effective with its September 1, 2007 billing, Shelbyville’s wholesale rate to West Shelby would increase from \$1.68 per 1,000 gallons to \$1.73 per 1,000 gallons. West Shelby proposes to increase the water rates to its customers effective September 1, 2007.
3. During the 12 months ending June 30, 2007, West Shelby purchased 73,137,900 gallons of water from Shelbyville, 184,088,100 gallons of water from Louisville and sold 235,026,600 gallons. The increase in the cost of purchased water is \$3,656.90, resulting in a purchased water adjustment factor of \$0.02 per 1,000 gallons.

4. The purchased water adjustment factor of \$0.02 per 1,000 gallons is fair, just, and reasonable and should be approved.

5. West Shelby misapplied the purchased water adjustment factor to its current rates. The rates in the proposed tariff sheets are incorrect.

IT IS THEREFORE ORDERED that:

1. West Shelby's proposed rates are denied.

2. The purchased water adjustment factor of \$0.02 per 1,000 gallons as calculated in Appendix A is approved.

3. The rates in Appendix B attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after September 1, 2007.

4. Within 20 days of the date of this Order, West Shelby shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 29<sup>th</sup> day of August, 2007 .

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2007-00336 DATED August 29, 2007

Monthly Water Rates

	Base Rate	New Rate
Louisville		
Purchases in gallons	184,088,100	184,088,100
Volumetric rate	<u>\$1.71/1,000</u>	<u>\$1.71/1,000</u>
	\$314,790.65	\$314,790.65
		Increased water cost \$ 0
Shelbyville		
Purchases in gallons	73,137,900	73,137,900
Volumetric rate	<u>\$ 1.68/1,000</u>	<u>\$ 1.73/1,000</u>
	\$122,871.67	126,528.56
		Increased water cost \$3,656.90
Increased water cost		\$ 3,656.90
Divided by gallons sold		<u>235,026,600</u>
Purchased water adjustment factor		\$0.02 per 1,000 gallons

## APPENDIX B

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2007-00336 DATED August 29, 2007

The following rates and charges are prescribed for the customers in the area served by West Shelby Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

#### RATES AND CHARGES

##### 5/8 Inch Meter

First	2,500	gallons	\$ 13.73	Minimum bill
Next	7,500	gallons	4.86	per 1,000 gallons
Next	20,000	gallons	4.23	per 1,000 gallons
Next	200,000	gallons	3.73	per 1,000 gallons
All Over	230,000	gallons	3.37	per 1,000 gallons

##### 3/4 Inch Meter

First	3,500	gallons	\$ 18.58	Minimum bill
Next	6,500	gallons	4.86	per 1,000 gallons
Next	20,000	gallons	4.23	per 1,000 gallons
Next	200,000	gallons	3.73	per 1,000 gallons
All Over	230,000	gallons	3.37	per 1,000 gallons

##### 1 Inch Meter

First	5,000	gallons	\$ 25.86	Minimum bill
Next	5,000	gallons	4.86	per 1,000 gallons
Next	20,000	gallons	4.23	per 1,000 gallons
Next	200,000	gallons	3.73	per 1,000 gallons
All Over	230,000	gallons	3.37	per 1,000 gallons

##### 1 1/2 Inch Meter

First	10,000	gallons	\$ 50.15	Minimum bill
Next	20,000	gallons	4.23	per 1,000 gallons
Next	200,000	gallons	3.73	per 1,000 gallons
All Over	230,000	gallons	3.37	per 1,000 gallons

2 Inch Meter

First	16,000	gallons	\$ 75.52	Minimum bill
Next	14,000	gallons	4.23	per 1,000 gallons
Next	200,000	gallons	3.73	per 1,000 gallons
All Over	230,000	gallons	3.37	per 1,000 gallons

3 Inch Meter

First	30,000	gallons	\$ 134.71	Minimum bill
Next	200,000	gallons	3.73	per 1,000 gallons
All Over	230,000	gallons	3.37	per 1,000 gallons

4 Inch Meter

First	50,000	gallons	\$ 209.27	Minimum bill
Next	180,000	gallons	3.73	per 1,000 gallons
All Over	230,000	gallons	3.37	per 1,000 gallons

6 Inch Meter

First	100,000	gallons	\$ 395.67	Minimum bill
Next	130,000	gallons	3.73	per 1,000 gallons
All Over	230,000	gallons	3.37	per 1,000 gallons